

CHAPTER NO. 368

SENATE BILL NO. 1648

By Harper

Substituted for: House Bill No. 1522

By Kernell, Henri Brooks, Cooper

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 29 and Title 62, Chapter 6, relative to the state board for licensing contractors.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 4-29-224(a), is amended by deleting item (36) in its entirety.

SECTION 2. Tennessee Code Annotated, Section 4-29-228(a), is amended by adding a new item thereto, as follows:

() State board for licensing contractors, created by § 62-6-104;

SECTION 3. Tennessee Code Annotated, Title 62, Chapter 6, Part 1, is amended by adding the following language as a new, appropriately designated sections:

62-6-133. (a) The following acts are prohibited by a residential contractor:

(1) Having a controlling ownership interest in the lender providing a mortgage loan for home improvement for the work being performed by the contractor; or

(2) Being a co-signer or acting as a guarantor for a mortgage loan for home improvement.

(b) As used in this section, "mortgage loan for home improvement" shall have the same meaning as defined in § 45-13-123(c).

62-6-134. (a) For each violation of § 62-6-133 by a residential contractor, the board is authorized to impose a civil penalty in an amount not to exceed twenty-five thousand dollars (\$25,000) after notice and an opportunity for a hearing. Such penalty shall be in addition to any other penalty authorized pursuant to this part.

(b) In addition to the civil penalty authorized pursuant to subsection (a), a violation of § 62-6-133 shall be construed to constitute an unfair or deceptive act or practice affecting the conduct of trade or commerce under the Tennessee Consumer Protection Act, and as such the private right of action remedy under such act shall be available to any person who suffers an ascertainable loss of money or property, real, personal, or mixed, or any other article, commodity, or thing of value wherever situated as a result of such violation.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: May 29, 2003



JOHN S. WILDER
SPEAKER OF THE SENATE



JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 17th day of June 2003



PHIL BREDEBEN, GOVERNOR